



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

"To Enrich Lives Through Effective And Caring Service"

REVISED

Board of Supervisors
HILDA L. SOLIS
First District

MARK RIDLEY-THOMAS
Second District

SHEILA KUEHL
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

March 01, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

9 March 1, 2016

LORI GLASGOW
EXECUTIVE OFFICER

**LEASE AMENDMENT
DEPARTMENT OF MENTAL HEALTH
947 SOUTH COLE AVENUE, LOS ANGELES
(THIRD DISTRICT)
(3 VOTES)**

SUBJECT

An eight-year lease amendment for the continued use of approximately 6,500 square feet of office space, and 20 on-site parking spaces for the Department of Mental Health.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed lease amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board of Supervisors, on November 17, 1987, and Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Chair to sign the eight-year lease amendment with Tomy Drissi for approximately 6,500 square feet of office space, and 20 on-site parking spaces at 947 South Cole Avenue, Los Angeles, for the Department of Mental Health at a first year rental cost of \$290,940. The rental cost is to be funded from the Mental Health Services Act and matching Medi-Cal Funds. The amendment will commence and be effective upon approval by the Board of Supervisors.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The proposed lease amendment will allow the Department of Mental Health (DMH) to continue operating the Adult Systems of Care (ASC) – Full Service Partnership (FSP) program, and the American Indian Counseling Center for an additional ~~five~~ eight years. This satellite office augments services provided at the mental health facility located at 1224 North Vine Street, Los Angeles. The department has occupied the facility since 2009, and is currently on a month-to-month holdover basis while awaiting approval of the proposed amendment.

The FSP programs provide outpatient direct services, with an emphasis on supportive and recovery-based services, which assist adult clients with serious mental illnesses to live independently and become employed and live more enriching lives. These services are the most intense form of outpatient mental health service available to clients with mental illness, who have extensive histories of homelessness, incarcerations, and psychiatric hospitalizations.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability (Goal 1) directs that we maximize the effectiveness of processes, structure, operations, and strong fiscal management to support timely delivery of customer-oriented and efficient public services. The proposed lease amendment supports this goal by delivering a facility that supports efficient public service. The proposed amendment is in conformance with the Asset Management Principles as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed lease amendment will provide DMH the uninterrupted use of approximately 6,500 square feet of office space, and 20 on-site parking spaces at an annual lease cost of \$290,940. Tomy Drissi (Landlord) is responsible for the operational and maintenance costs associated with the premises, and will assume responsibility of janitorial services upon Board of Supervisors adoption of the lease amendment. The County will continue to be responsible for utilities. Attachment B provides an overview of the proposed lease amendment costs.

Sufficient funding for the proposed lease amendment costs is included in the Fiscal Year (FY) 2015-16 Rent Expense budget and will be billed back to DMH. DMH has sufficient funding in its FY 2015-16 operating budget to cover the projected lease costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed lease amendment includes the following provisions:

- An eight-year extension commencing upon approval by the Board of Supervisors.
- A modified full-service gross lease whereby the Landlord is responsible for the operational and building maintenance of the facility. In addition, the Landlord will now be responsible for janitorial services upon commencement of the extension term. The County will remain responsible for utilities.

- ~~- One five-year option to extend the term with prior written notice by the Chief Executive Office (CEO).~~
- Annual fixed rental increases of 3 percent per annum, and fixed for years six through eight.

The CEO, Real Estate Division staff conducted a survey within the service area to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the surveyed area that could accommodate this requirement more economically, nor are there any County-owned or leased facilities available for this program. Based upon said survey, staff has established that the rental range for similar office space and a similar lease structure is between \$28.20 and \$54, per square foot per year, therefore, the annual rent of \$44.76, per square foot per year modified full-service gross for the proposed lease amendment represents a rate within market range for the area.

Attachment C shows County-owned or leased facilities in the proximity of the service area, and there are no suitable County-owned or leased facilities available for the program.

Notification letters advising of the proposed lease have been sent to the City of Los Angeles, pursuant to Government Code Sections 25351 and 65402.

ENVIRONMENTAL DOCUMENTATION

The CEO has concluded that this lease is exempt from California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

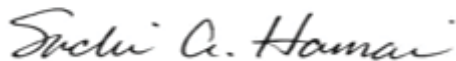
IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed lease amendment will continue to provide the necessary office space for this County requirement. DMH concurs with the proposed recommendation.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors return three originals of the executed lease amendment, two certified copies of the Minute Order, and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

A handwritten signature in cursive script, reading "Sachin A. Hamai".

SACHI A. HAMAI
Chief Executive Officer

SAH:JJ:DPH
CMM:TS:MC:gw

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Internal Services
Mental Health

**DEPARTMENT OF MENTAL HEALTH
947 COLE AVENUE, LOS ANGELES
Asset Management Principles Compliance Form¹**

1.	<u>Occupancy</u>		Yes	No	N/A
A	Does lease consolidate administrative functions? ²				X
B	Does lease co-locate with other functions to better serve clients? ²				X
C	Does this lease centralize business support functions? ²				X
D	Does this lease meet the guideline of 200 sq. ft. of space per person? ² . No, 325 sq. ft. of space per person due to clinical space providing services to clients.			X	
E	Does lease meet 4/1000 sq. ft. parking ratio guideline? ² No, 3/1000 due to the additional space leased to accommodate the programs' clinical requirements of group rooms and interview rooms.			X	
F	Does public parking and mass-transit exist to facilitate employee, client and visitor access to the proposed lease location? ²		X		
2.	<u>Capital</u>				
A	Is it a substantial net County cost (NCC) program?			X	
B	Is this a long term County program?		X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			X	
D	If no, are there any suitable County-owned facilities available?			X	
E	If yes, why is lease being recommended over occupancy in County-owned space?				X
F	Is Building Description Report attached as Attachment C?		X		
G	Was build-to-suit or capital project considered?			X	
3.	<u>Portfolio Management</u>				
A	Did department utilize CEO Space Request Evaluation (SRE)?		X		
B	Was the space need justified?		X		
C	If a renewal lease, was co-location with other County departments considered?				X
D	Why was this program not co-located?				
	1. ____ The program clientele requires a "stand alone" facility.				
	2. ____ No suitable County occupied properties in project area.				
	3. <u>X</u> No County-owned facilities available for the project.				
	4. ____ Could not get City clearance or approval.				
	5. ____ The Program is being co-located.				
E	Is lease a full service lease? ² County to pay utilities.			X	
F	Has growth projection been considered in space request?				X
G	Has the Dept. of Public Works completed seismic review/approval?				X
	¹ As approved by the Board of Supervisors 11/17/98.				
	² If not, why not?				

**FISCAL IMPACT/FINANCING
OVERVIEW OF THE LEASE COSTS**

947 South Cole Avenue, Los Angeles	Existing Lease	Proposed Lease Amendment No. 1	Change
Area (square feet)	6,500	6,500	None
Term	(09/01/2009-08/31/2014) currently month-to-month	Eight years upon Board adoption	+Eight years
Annual Rent	\$294,465.60 (\$45.30/sq.ft.)	\$290,940 (\$44.76/sq.ft.)	-\$3,525.60
Parking (included)	18	20	+2
Janitorial Service	\$60,000 County costs	\$60,000 Landlord cost	-\$60,000
Option to Renew	Two five-year options	One five-year option <u>Unchanged</u>	+1 Five-year option <u>None</u>
Rental Adjustment	4% fixed per annum	3% fixed per annum	-1%

**DEPARTMENT OF MENTAL HEALTH
SPACE SEARCH WITHIN A THREE-MILE PARAMETER OF
1224 NORTH VINE STREET, LOS ANGELES**

LACO	FACILITY NAME	ADDRESS	SQFT GROSS	SQFT NET	STATUS	SQFT AVAILABLE
X014	PH-BURBANK PUBLIC HEALTH CENTER	1101 W MAGNOLIA BLVD, BURBANK 91502	5864	3640	OWNED	NONE
5465	PUBLIC LIBRARY-NEW WEST HOLLYWOOD LIBRARY	625 N SAN VICENTE BLVD, WEST HOLLYWOOD 90069	32000	30400	GRATIS USE	NONE
3969	HOLLYWOOD BOWL-ADMINISTRATION BUILDING	2301 N HIGHLAND AVE, HOLLYWOOD 90068	5137	4369	OWNED	NONE
A140	DMH-HOLLYWOOD FSP	947 COLE AVE, LOS ANGELES 90038	6500	6175	LEASED	NONE
B393	HOLLYWOOD COURTHOUSE	5925 HOLLYWOOD BLVD, HOLLYWOOD 90028	61571	26151	STATE	NONE
5461	PH-HOLLYWOOD/WILSHIRE PUBLIC HEALTH CENTER	5205 MELROSE AVE, LOS ANGELES 90038	27578	14811	OWNED	NONE
A674	DMH-HOLLYWOOD WELLNESS CENTER	5000 W SUNSET BLVD, LOS ANGELES 90027	5588	5309	LEASED	NONE
5421	BEVERLY HILLS COURTHOUSE (CLOSED)	9355 BURTON WAY, BEVERLY HILLS 90210	80567	47608	STATE	47608
A673	DCFS-WEST LOS ANGELES (SPA 5) & WLA-MCMS	5757 WILSHIRE BLVD, LOS ANGELES 90036	35548	29923	LEASED	NONE
A532	PH HEALTH-WILSHIRE METROPLEX BUILDING	3530 WILSHIRE BLVD, LOS ANGELES 90010	113027	101920	LEASED	NONE
A424	DPSS-EQUITABLE PLAZA BUILDING	3435 WILSHIRE BLVD, LOS ANGELES 90010	65871	62577	LEASED	NONE
A578	AUDITOR - SHARED SERVICES INITIATIVE	3470 WILSHIRE BLVD, LOS ANGELES 90010	21500	20425	LEASED	NONE
Y193	PARKS & RECREATION-HEADQUARTERS BUILDING	433 S VERMONT AVE, LOS ANGELES 90020	31862	21777	OWNED	NONE
X317	DCSS-LE SAGE COMPLEX 4 STORY BUILDING	3175 W 6TH ST, LOS ANGELES 90020	52230	42341	OWNED	NONE
X510	PARKS & REC-LE SAGE COMPLEX 2 STORY BUILDING	510 S VERMONT AVE, LOS ANGELES 90020	31540	24835	OWNED	NONE
X532	DCSS-LE SAGE COMPLEX 1 STORY BLDG(RED-TAGGED)	532 S VERMONT AVE, LOS ANGELES 90020	27179	10314	OWNED	NONE
X550	MENTAL HEALTH-LE SAGE COMPLEX TOWER	550 S VERMONT AVE, LOS ANGELES 90020-1991	171651	149668	OWNED	NONE
A336	SHERIFF-WILSHIRE CENTRE BUILDING	3055 WILSHIRE BLVD, LOS ANGELES 90010	7755	7115	LEASED	NONE
A369	DCFS-HEADQUARTERS ANNEX	501 SHATTO PL, LOS ANGELES 90020	17751	15976	LEASED	NONE
A413	HUMAN RESOURCES-WILSHIRE SQUARE TWO BUILDING	3333 WILSHIRE BLVD, LOS ANGELES 90010-4109	85992	72804	LEASED	NONE
A425	DCFS-HEADQUARTERS BUILDING	425 SHATTO PL, LOS ANGELES 90020	81912	77816	LEASED	NONE
B695	PH-IMMUNIZ&ENVIR HLTH/MENTAL HEALTH	695 S VERMONT AVE, LOS ANGELES 90010	109845	103617	LEASED	NONE
B500	DHS-WORKFORCE DEVELOPMENT PROGRAM	500 S VIRGIL AVE, LOS ANGELES 90020	8000	7200	PERMIT	NONE
A600	CENTRAL CIVIL WEST COURTHOUSE	600 S COMMONWEALTH AVE, LOS ANGELES 90005	281988	237432	LEASED	NONE
A360	DPSS-METRO NORTH AP/ CALWORKS DISTRICT OFFICE	2601 WILSHIRE BLVD, LOS ANGELES 90057	62000	60140	LEASED	NONE
B922	DPSS-WILSHIRE SPECIAL DISTRICT OFFICE	2415 W 6TH ST, LOS ANGELES 90057	46228	42065	LEASED	NONE
A405	BOS/ARTS COMMISSION-WILSHIRE-BIXEL BUILDING	1055 WILSHIRE BLVD SUITE 800, LOS ANGELES 90017	7873	7479	LEASED	NONE

FACILITY LOCATION POLICY ANALYSIS

Proposed Lease: ~~Five-~~ Eight-year lease amendment for the Department of Mental Health (DMH) at 947 Cole Avenue, Los Angeles - 3rd District .

A. Establish Service Function Category – Regional and local public service function.

B. Determination of the Service Area –The proposed lease amendment will allow DMH to continue to provide comprehensive Adult Systems of Care (ASC) – Full Service Partnership (FSP) programs and operate its American Indian Counseling Center. This site augments services provided at the DMH Hollywood Mental Health Center located at 1224 North Vine Street, Los Angeles.

C. Apply Location Selection Criteria to Service Area Data

- Need for proximity to service area and population: DMH programs are most effective when located in the same geographic area as its consumers, providers and stakeholders. This location meets the service area criteria and remains in the desired area.
- Need for proximity to existing County facilities: The facility is strategically located within a mile of the Hollywood Mental Health Center.
- Need for proximity to Los Angeles Civic Center: N/A
- Economic Development Potential: N/A
- Proximity to public transportation: The facility is located in close proximity to local bus routes.
- Availability of affordable housing for County employees: The surrounding area provides affordable housing and rental opportunities.
- Use of historic buildings: N/A

- Availability and compatibility of existing buildings: There are no existing County buildings available to meet the Department's service needs.
- Compatibility with local land use plans: The Department of Public Works inspected the facility and found it suitable for County occupancy. Notification letters have been sent pursuant to Government Code Sections 25351 and 65402.

D. Analyze results and identify location alternatives

Based upon the space and service needs of DMH, staff surveyed the immediate area to determine the availability of comparable and more economical site alternatives. Based on a survey of the area, staff established that no viable or suitable alternatives to the existing location were available. The annual rental range for similar office space is up to \$54 per square foot, excluding parking. Therefore, the proposed annual rent of \$44.76, including parking and janitorial service, is within market range and supports the lease renewal at this location.

E. Determine benefits and drawbacks of each alternative based upon functional needs, service area, cost and other Location Selection Criteria

The proposed lease amendment for DMH will provide adequate satellite Adult Systems of Care (ASC) – Full Service Partnership (FSP) and American Indian Counseling Center space for its employees and efficient space for on-site service to clients, which is consistent with the County's Facility Location Policy, adopted by the Board of Supervisors on July 24, 2012. The cost of comparable sites was higher per square foot and the sites would require tenant improvements that would drive the rent up further.

AMENDMENT No. 1 TO LEASE No. 76917
MENTAL HEALTH
947 COLE AVENUE, LOS ANGELES

THIS AMENDMENT No. 1 to County Lease No. 76917 ("Amendment" or "Amendment No. 1") is made and entered into this 1st day of March, 2016 by and between Tomy Drissi, hereinafter referred to as "Landlord" and the COUNTY OF LOS ANGELES, a body corporate and politic, hereinafter referred to as "Tenant."

RECITALS:

WHEREAS, Lease No. 76917 allowing Tenant to lease approximately 6,500 rentable square feet at 947 Cole Avenue, Los Angeles (the "Premises"), became effective September 1, 2009 (Lease No. 76917 and all amendments are collectively referred to hereinafter as the "Lease"), and;

WHEREAS, Landlord and Tenant desire to renew and make modifications to the Lease, and in connection therewith, Landlord and Tenant desire to amend the Lease as hereinafter provided;

NOW THEREFORE, in consideration of the foregoing recitals, which are hereby deemed a contractual part hereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and the rents, covenants and agreements herein contained and intended to be legally bound hereby, and Tenant hereby covenant and agree as follows:

1. EXTENSION OF THE LEASE TERM. Landlord and Tenant acknowledge that Tenant's lease of the Premises has been on a month-to-month tenancy as of September 1, 2014, pursuant to the Holdover provision of Paragraph 7 of the Lease. Notwithstanding anything to the contrary in the Lease, the Lease is hereby amended to extend the Lease term for an additional eight (8) years commencing upon the full execution of this Amendment ("Extension Commencement Date"). Thereafter, the Lease shall expire at midnight on the day before the eighth (8th) anniversary of the Extension Commencement Date (the "Lease Expiration Date"), unless sooner terminated as provided in the Lease. The period of time commencing on the Extension Commencement Date and terminating on the Lease Expiration Date shall be referred to herein as the "Extension Term."

2. RENT. As of the Extension Commencement Date, the Rent schedule as set forth in Paragraph 5 of the Lease shall be replaced with the following schedule for the Extension Term as follows:

<u>Year</u>	<u>Rate/Square foot</u>	<u>Monthly</u>
1	\$3.73	\$24,245
2	\$3.84	\$25,740
3	\$3.96	\$26,520
4	\$4.08	\$26,520
5	\$4.20	\$27,300
6	\$4.20	\$27,300

7	\$4.20	\$27,300
8	\$4.20	\$27,300

3. BASIC LEASE INFORMATION The number of parking spaces pursuant to Paragraph 1, Subparagraph 1.1(n) of the Lease is hereby amended and increased to 20 parking spaces.

4. COMMENCEMENT AND EXPIRATION DATES Tenant's early termination rights pursuant to Paragraph 4(d) shall be replaced with the following:

(d) Early Termination. Tenant shall have the right to terminate this Lease at any time after the 36th month of the Extension Term by giving Landlord not less than 90 days prior written notice executed by the Chief Executive Officer of Tenant.

5. REPAIRS AND MAINTENANCE Landlord and Tenant hereby agree to amend Paragraph 10 of said Lease with the addition of Subparagraph (e) Reimbursable Costs.

(e) Notwithstanding any provisions of this Lease to the contrary, Tenant at its sole discretion, acting through the Chief Executive Officer of Tenant, may request from Landlord, without any obligation on the part of Landlord to comply with said request, to perform repair, maintenance, janitorial and/or tenant improvement work. Tenant shall reimburse Landlord upon completion of any such work or service that is performed by Landlord. Any Landlord charges to Tenant for administrative costs associated with such work shall not exceed three and one-half percent (3.5%) of the costs actually incurred by the Landlord in performance or contracting out such work.

6. SERVICES AND UTILITIES Landlord's obligations pursuant to Paragraph 11 of said Lease is hereby amended with the addition of Subparagraph (g) Janitorial.

(g) Janitorial. Landlord shall provide janitorial service on five nights per week generally consistent with that furnished in comparable office buildings in the County of Los Angeles, but not less than the services set forth in the specifications set forth in the amended Exhibit E attached hereto.

7. OPTION TO EXTEND The Basic Rent for the two Extension Terms pursuant to Paragraph 33, of said Lease shall be the rate in effect during the last year of the Amendment No. 1 Extension Term, increased to fair market value by negotiation and mutual agreement of the parties.

8. All terms when used herein shall have the same respective meanings as set forth in the Lease unless expressly provided otherwise in this Amendment No. 1.

9. Each of the signatories for the Landlord and Tenant personally covenant, warrant and guarantee that each of them, jointly and severally, have the power and authority to execute this Amendment No. 1 upon the terms and conditions stated herein, and each agrees to indemnify and hold harmless Tenant from all damages, costs, and expenses, which result from a breach of this representation.

10. In the event of a conflict between the terms and conditions of this Amendment No. 1 and the terms and conditions of the Lease, the terms and conditions of this Amendment No. 1 shall prevail. All other terms and conditions contained in the Lease as amended shall remain in full force and effect.

IN WITNESS WHEREOF, the Landlord's duly authorized representative has executed this Amendment No. 1 to Lease No. 76917 or caused it to be executed, the day, month and year first above written.

LANDLORD:

TOMY DRISSI

By: [Signature]
Name: Tomy Drissi
Its: _____

TENANT:

COUNTY OF LOS ANGELES
a body politic and corporate

By: [Signature]
HILDA L. SOLIS
Chair, Board of Supervisors

ATTEST:

LORI GLASGOW
Executive Officer
Clerk of the Board of Supervisors

By: [Signature]
Deputy

APPROVED AS TO FORM:
Mary C. Wickham
County Counsel

By: [Signature]
Deputy



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

LORI GLASGOW
Executive Officer-Clerk
of the Board of Supervisors of
the County of Los Angeles

By: [Signature]
Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

MAR 01 2016

[Signature]
LORI GLASGOW
EXECUTIVE OFFICER

76917 Supplement No. 1

EXHIBIT E

CLEANING AND MAINTENANCE SCHEDULE

1. DAILY (Monday through Friday)

- A. Carpets vacuumed.
- B. Composition floors dust-mopped.
- C. Desks, desk accessories and office furniture dusted. Papers and folders left on desk not to be moved.
- D. Waste baskets, other trash receptacles emptied.
- E. Chairs and waste baskets returned to proper position.
- F. Fingerprints removed from glass doors and partitions.
- G. Drinking fountains cleaned, sanitized and polished.
- H. Lavatories, toilets and toilet rooms cleaned and mopped. Toilet supplies replenished.
- I. Bulb and tube replacements, as required.
- J. Graffiti expunged as needed within two (2) working days after notice by Tenant.
- K. Floors washed as needed.
- L. Kitchen/Lunchroom supplies replenished including paper supplies and soap.
- M. Exclusive day porter service from ____ to ____ **(if provided by contract)**.

2. WEEKLY

- A. Low-reach areas, chair rungs, baseboards and insides of door jambs dusted.
- B. Window sills, ledges and wood paneling and molding dusted.

3. MONTHLY

- A. Floors washed and waxed in uncarpeted office area.
- B. High-reach areas, door frames and tops of partitions dusted.
- C. Upholstered furniture vacuumed, plastic and leather furniture wiped.
- D. Picture moldings and frames dusted.
- E. Wall vents and ceiling vents vacuumed.
- F. Carpet professionally spot cleaned as required to remove stains.
- G. HVAC chiller water checked for bacteria, water conditioned as necessary.

4. QUARTERLY

- A. Light fixtures cleaned and dusted, but not less frequently than Quarterly.
- B. Wood furniture polished.
- C. Draperies or mini-blinds cleaned as required, but not less frequently than Quarterly.
- D. HVAC units serviced for preventative maintenance purposes, all filters changed.

5. SEMI-ANNUALLY

- A. Windows washed as required inside and outside but not less frequently than twice annually.
- B. All painted wall and door surfaces washed and stains removed.
- C. All walls treated with vinyl covering washed and stains removed.

6. ANNUALLY

A. Furniture Systems and any other fabric or upholstered surfaces including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction system.

B. Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.

C. Touch-up paint all interior painted surfaces in a color and finish to match existing.

7. AS NEEDED

A. Premises and the sidewalks, driveways, parking areas and all means of access and egress for the Premises should be maintained in good repair, and in clean and safe condition at all times.

B. All lawns, shrubbery and foliage on the grounds of the Premises should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.

C. Carpets to be cleaned using a non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning: (i) heavy traffic areas as needed with a minimum frequency of bi-monthly [six (6) times per year]; (ii) moderate traffic areas cleaned as needed with a minimum of once every six (6) months [two (2) times per year]; and (iii) clean light traffic areas a minimum of once per year. Landlord agrees that bonnet cleaning is not an acceptable method of cleaning carpets.

D. All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event will Landlord be required to repaint or replace wall coverings more than one (1) time in a five (5) year period (the "Occurrence"). The initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease shall not constitute and Occurrence for the purpose of determining the frequency of this work.

8. GENERAL

Landlord shall, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.